

# SENATE BILL 657

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By: **Senator Muse**

Introduced and read first time: February 3, 2012

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Horse Racing – Maryland Foaled Stakes Program – Termination**

3 FOR the purpose of terminating the Maryland Foaled Stakes Program; specifying that  
4 certain money be allocated only to the Maryland Sire Stakes Program;  
5 specifying that the Maryland Standardbred Race Fund consists only of the Sire  
6 Stakes Program; providing for a delayed effective date; making certain technical  
7 changes; and generally relating to horse racing in the State.

8 BY repealing and reenacting, with amendments,

9 Article – Business Regulation

10 Section 11–404.1, 11–406, 11–615(a), 11–617(b) and (c), 11–624, and 11–633

11 Annotated Code of Maryland

12 (2010 Replacement Volume and 2011 Supplement)

13 BY repealing

14 Article – Business Regulation

15 Section 11–632

16 Annotated Code of Maryland

17 (2010 Replacement Volume and 2011 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – Business Regulation**

21 11–404.1.

22 After all deductions from the Special Fund as required under §§ 11–403 and  
23 11–404 of this subtitle are made, the Comptroller shall pay from the Special Fund an  
24 annual grant of:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) \$300,000 to be allocated in the following way:

2 (i) 70% to the Maryland–Bred Race Fund; and

3 (ii) 30% to the Maryland Standardbred Race Fund[, to be  
4 divided equally between] **FOR** the Sire Stakes Program [and the Foaled Stakes  
5 Program]; and

6 (2) \$260,000 to the Maryland Agricultural Education and Rural  
7 Development Assistance Fund established under § 2–206 of the State Finance and  
8 Procurement Article, with \$130,000 to be allocated to support the operations of the  
9 Rural Maryland Council.

10 11–406.

11 After all deductions from the Special Fund as required by §§ 11–403, 11–404,  
12 and 11–404.1 of this subtitle are made, money that remains in the Special Fund shall  
13 be allocated in the following way:

14 (1) 50% to the Maryland Agricultural Education and Rural  
15 Development Assistance Fund established under § 2–206 of the State Finance and  
16 Procurement Article, with one–third of these funds to be allocated to support the  
17 operations of the Rural Maryland Council; and

18 (2) 50% to be allocated in the following way:

19 (i) 70% to the Maryland–Bred Race Fund; and

20 (ii) 30% to the Maryland Standardbred Race Fund[, to be  
21 divided equally between] **FOR** the Sire Stakes Program [and the Foaled Stakes  
22 Program].

23 11–615.

24 (a) From a licensee’s share of the takeout on each mutuel pool, the licensee  
25 whose average handle is over \$600,000 shall allocate [equally] to the [Sires] **SIRE**  
26 Stakes Program [and the Foaled Stakes Program] of the Maryland Standardbred Race  
27 Fund the following amounts:

28 (1) on the first \$125,000 of the average handle:

29 (i) 0.50% of each regular mutuel pool;

30 (ii) 0.50% of each multiple mutuel pool on 2 horses; and

31 (iii) 1% of each multiple mutuel pool on 3 or more horses.

- 1           (2)    on the rest of the average handle:
- 2                   (i)    1% of each regular mutuel pool;
- 3                   (ii)   1% of each multiple mutuel pool on 2 horses; and
- 4                   (iii)  1.5% of each multiple mutuel pool on 3 or more horses.

5 11-617.

6           (b)    From the licensee's share of the takeout on each mutuel pool, a licensee  
7 whose average handle is over \$150,000 shall allocate [equally] to the [Sires] **SIRE**  
8 Stakes Program [and the Foaled Stakes Program] of the Maryland Standardbred Race  
9 Fund the following amounts:

- 10           (1)    on the first \$125,000 of the average handle:
- 11                   (i)    0.50% of each regular mutuel pool;
- 12                   (ii)   0.50% of each multiple mutuel pool on 2 horses; and
- 13                   (iii)  1% of each multiple mutuel pool on 3 or more horses.

- 14           (2)    on the rest of the average handle:
- 15                   (i)    1% of each regular mutuel pool;
- 16                   (ii)   1% of each multiple mutuel pool on 2 horses; and
- 17                   (iii)  1.5% of each multiple mutuel pool on 3 or more horses.

18           (c)    A licensee whose average handle is \$150,000 or less shall allocate  
19 [equally] to the [Sires] **SIRE** Stakes Program [and the Foaled Stakes Program] of the  
20 Maryland Standardbred Race Fund:

- 21           (1)    0.50% of each regular mutuel pool;
- 22           (2)    0.50% of each multiple mutuel pool for 2 horses; and
- 23           (3)    1% of each multiple mutuel pool for 3 or more horses.

24 11-624.

25           There is a Maryland Standardbred Race Fund consisting of the [Foaled Stakes  
26 Program and the Sires] **SIRE** Stakes Program.

1 [11-632.

2 (a) A horse shall be registered with the Advisory Committee before the horse  
3 may start in a race of the Foaled Stakes Program.

4 (b) A horse may be registered with the Advisory Committee only if the horse  
5 was foaled in Maryland as shown by a foal certificate from the United States Trotting  
6 Association and:

7 (1) the breeder of the horse has maintained a place of abode in  
8 Maryland for more than 9 months immediately before registration;

9 (2) the breeder of the horse keeps breeding stock continually in  
10 Maryland;

11 (3) the horse was conceived in Maryland during the previous season;  
12 or

13 (4) the horse's dam was sent to Maryland to foal and after foaling was  
14 covered by a Maryland stallion during the season of the horse's birth.]

15 11-633.

16 The offspring of a standardbred sire is eligible for the [Sires] SIRE Stakes  
17 Program if:

18 (1) the sire is registered with the United States Trotting Association  
19 and with the Advisory Committee;

20 (2) the sire was at stud in the State for a full breeding season; and

21 (3) the offspring was conceived during that breeding season.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 January 1, 2013.